

Message Text

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UNCLAS SECTION 1 OF 2 SEOUL 8867

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E.O. 11652: N/A

TAGS: BEXP, KS

SUBJECT: MARKET BRIEF-POTENTIAL FOR FOOD PROCESSING AND FOOD
PACKAGING EQUIPMENT SALES IN KOREA

REF: USDOC 18137

1. KOREA'S FOOD PROCESING INDUSTRY OUTPUT IS GROWING AT 13 PERCENT THIS YEAR AND PRODUCTION EMPHASIS HAS BEEN CONCENTRATED IN GRAIN MILL PRODUCTS, FATS AND OILS PROCESSING AND IN BEVERAGE MANUFACTURE. THE MARKET FOR FOOD PROCESSING AND PACKAGING EQUIPMENT IS ESTIMATED AT \$16 MILLION WITH ONLY 15-20 PERCENT SUPPLIED BY LOCAL PRODUCTION.

2. KOREA'S STANDARD OF LIVING FOR ITS 35 MILLION PEOPLE IS RISING DRAMATICALLY AND THE IMPORTANCE OF SANITATION HAS BEEN RECOGNIZED AS A KEY PART OF IMPROVING QUALITY. PRODUCTION OF SNACK AND INSTANT FOOD IS ALSO GROWING RAPIDLY. THERE ARE SIXTY-NINE LARGE MANUFACTURERS WITH OVER 300 EMPLOYEES OF WHICH THE LARGEST TEN CONTROL 80 PERCENT OF THE LOCAL MARKET.

3. FOOD CANNING, FLOUR MILLING AND PROCESSING, SUGAR REFINING AND BEVERAGE BOTTLING ARE THE LARGEST SECTORS OF THE PRESENT KOREAN MARKET. CANNED OYSTER EXPORTS REACHED A VALUE OF \$6 MILLION AND CANNED MUSHROOMS \$21 MILLION IN 1975. THERE ARE A TOTAL OF 207 MARINE AND AGRICULTURAL CANNING MANUFACTURERS IN KOREA EMPLOYING NEARLY 12,000 WORKERS. THERE ARE 18 FLOUR
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MILLS IN KOREA WHICH CONSTITUTE THE MAJOR MARKET FOR FOOD

PROCESSING AND PACKAGING EQUIPMENT. FLOUR MILLING CAPACITY IN 1975 ACCORDING TO THE KOREA FLOUR MILLS INDUSTRIAL ASSOCIATION AMOUNTED TO 62,533 BARRELS. IN SUGAR REFINING, THERE ARE 29 REFINERIES WITH THE MAJOR KOREAN OUTPUT PRODUCED BY THE LARGEST FIVE. IN 1975 OVER 331,000 M/T OF REFINED SUGAR WERE PROCESSED. IN 1975 THE SUGAR INDUSTRY EXPORTED 119,968 M/T.

4. THE FOLLOWING STATISTICAL SUMMARY INDICATES THE IMPORT OF EQUIPMENT INCLUDING IN BTN CATEGORIES FOR FOOD PROCESSING AND PACKAGING.

COUNTRY OF ORIGIN	1973	1974	1975
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BTN 84.10 PUMPS FOR LIQUIDS
(SITC 7192.1)

U.S.	1,292	2,926	7,098
JAPAN	4,754	7,494	11,406
OTHER	1,002	2,407	3,957
TOTAL	7,048	12,827	22,461

BTN 84.14 INDUSTRIAL FURNACES AND OVENS
(SITC 7191.4)

U.S.	680	2,179	708
JAPAN	7,311	7,552	7,102
U/K	290	0	1,297
W/GERMANY	0	287	1,193
FRANCE	129	0	3,840
OTHERS	99	0	161
TOTAL	8,509	10,018	14,301

BTN 84.15 REFRIGERATORS AND REFRIGERATING EQUIPMENT
(SITC 7191.5, 7194.2, 7250.1)

U.S.	1,201	788	1,810
JAPAN	5,819	10,646	3,619
W/GERMANY	126	222	275
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OTHERS	92	736	188
TOTAL	7,238	12,392	5,892

BTN 84.18 CREAM SEPARATORS
(SITC 7123.1)

U.S.	15	1	0
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JAPAN	33	22	158
W/GERMANY	0	0	0
OTHERS	0	0	0
TOTAL	48	23	158

BTN 84.19 MACHINERY FOR CLEANING OR DRYING BOTTLES OR OTHER
CONTAINERS; OTHER PACKING OR WRAPPING MACHINERY; MACHINERY
FOR AERATING BEVERAGES
(SITC 7196.2)

U.S.	708	1,069	2,158
JAPAN	3,546	7,788	5,461
W/GERMANY	325	1,208	865
ITALY	306	627	1,380
OTHERS	794	1,158	1,406
TOTAL	5,679	11,850	11,270

BTN 84.20 WEIGHING MACHINERY
(SITC 7196.3)

U.S.	38	160	161
JAPAN	670	769	1,020
W/GERMANY	58	76	338
OTHER	71	70	69
TOTAL	837	1,075	1,588

BTN 84.21 MECHANICAL APPLIANCES FOR DISPENSING OR SPRAYING
LIQUIDS OR POWDERS
(SITC 7196.4)

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U.S.	209	143	768
JAPAN	2,074	2,923	4,700
W/GERMANY	94	350	298
U/K	79	105	1,343
OTHERS	38	62	135
TOTAL	2,49	3,583	7,244

BTN 84.22 LIFTING, HANDLING, LOADING OR UNLOADING MACHINERY
AND CONVEYORS
(SITC 7193.1)

U.S.	5,384	8,988	17,129
JAPAN	12,481	14,262	23,879
W/GERMANY	40,890	3,808	7,603

FRANCE	3,328	1,058	8,319
OTHERS	6,934	3,261	14,180
TOTAL	69,017	31,377	71,110

BTN 84.26 DAIRY MACHINES
(SITC 7123.9)

U.S.	122	23	21
JAPAN	323	289	207
W/GERMANY	20	15	158
OTHERS	99	42	80
TOTAL	564	369	466

BTN 84.27 PRESSES, CRUSHERS AND OTHER MACHINERY
(SITC 7129.1)

U.S.	0	0	6
JAPAN	12	24	38
SWEDEN	0	0	250
ITALY	0	0	140
OTHERS	0	1	0
TOTAL	12	25	434

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BTN 84.29 MACHINERY USED IN THE BREAD GRAIN MILLING INDUSTRY
(SITC 7183.1)

U.S.	14	35	42
JAPAN	58	167	34
W/GERMANY	174	338	317
OTHERS	84	12	37
TOTAL	330	552	430

BTN 84.30 MACHINERY USED IN FOOD AND DRINK INDUSTRY, BAKERY,
CONFECTIONERY, CHOCOLATE MANUFACTURE, MACARONI, RAVIOLI,
THE PREPARATION OF MEAT, FISH, FRUIT, VEGETABLES, SUGAR
MANUFACTURE OF BREWING
(SITC 7183.9)

U.S.	456	94	408
JAPAN	2,377	2,751	796
DENMARK	0	17	377
W/GERMANY	828	873	284
OTHERS	175	211	216

TOTAL 3,836 3,946 2,081

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5. KOREAN INDUSTRIES ENGAGED IN FOOD PROCESSING AND PACKAGING
TOTAL 4,139. THERE ARE, HOWEVER, ONLY 69 LARGE FIRMS WITH MORE
THAN 300 EMPLOYEES AND THE LARGEST TEN PRODUCE 80 PERCENT OF
THE FOOD PRODUCTS MANUFACTURED IN KOREA. THERE ARE 118 MEDIUM
SIZED FIRMS, EMPLOYING 100-299 AND NEARLY 4,000 SMALL FIRMS
EMPLOYING 99 PEOPLE OR LESS. THE FOLLOWING CHART CHART
INDICATES THESE INDUSTRIES AND NUMBER OF MANUFACTURERS FOR EACH.

	NUMBER	NUMBER	NUMBER
FOOD MANUFACTURING	LARGE	MEDIUM	SMALL

SLAUGHTERING, PREPARING AND PRESERVING MEAT	2	3	9
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MANUFACTURE OF DAIRY PRODUCTS	3	4	49
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CANNING AND PRESERVING OF FRUITS AND VEGETABLES	8	18	63
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CANNING, PRESERVING AND PROCESSING OF FISH CRUSTACEAN AND SIMILAR FOODS	11	32	408
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MANUFACTURE OF ANIMAL AND VEGETABLE OILS AND FATS	2	2	90
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GRAIN MILL PRODUCTS 7 13 828
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MANUFACTURE OF BAKERY PRODUCTS 14 10 642

SUGAR FACTORIES AND REFINERIES 2 4 53

MANUFACTURE OF COCOA, CHOCOLATE
AND SUGAR PRODUCTS 3 2 106

MANUFACTURE OF FOOD PRODUCTS,
N.E.C. 3 5 366

MANUFACTURE OF PREPARED ANIMAL
FEEDS 0 3 75

BEVERAGE INDUSTRIES

DISTILLING, RECTIFYING AND
BLENDING SPIRITS 4 16 28

FRUIT WINE INDUSTRIES 0 0 6

MALT LIQUOR 2 1 0

OTHER FERMENTED LIQUOR 2 3 1,169

PRODUCTION OF BREWERS YEAST 0 0 16

SOFT DRINKS AND CARBONATED
WATERS INDUSTRIES 6 0 23

OTHER BEVERAGE INDUSTRIES 0 2 24

TOTAL 69 118 3,955

6. KOREA PRESENTLY PRODUCTS SOME FOOD PROCESSING AND PACKAGING
EQUIPMENT INCLUDING A AMYON NOODLE MACHINE WHICH HAS BEEN
EXPORTED TO THE U.S. THE FOLLOWING CHART INDICATES THE QUANTITY
OF MACHINES PRODUCED IN KOREA.

LOCAL PRODUCTION, 1974 QUANTITY

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RICE POLISHING MACHINES	10,715
FLOUR MILLING MACHINES	1,056
BARLEY POLISHING MACHINES	4,701
NOODLE MACHINES	3,057
BARLEY PRESS MACHINES	116
BAKERY MAKING MACHINES	111
CAKE MAKING MACHINES	32
FEEDING STUFFS MACHINES	715
VEGETABLE OIL MILL MACHINES	380
BEVERAGE AND SIMILAR BREWING INDUSTRIAL MACHINES	127
MACHINES FOR PROCESSING MILK	2
MACHINERY USED IN MEAL PREPARA- TION	2,151
MACHINES FOR PREPARING FISH, SHELLFISH, ETC.	121
CANNED FOOD AND BOTTLED FOOD MACHINES	111
OTHER ARTICLES OF FOODS PRODUCTS PROCESSING MACHINE AND EQUIPMENT ACCESSORIES	-

SOURCE: ECONOMIC PLANNING BOARD

7. A MARKET SURVEY INDICATES THAT SALES POTENTIAL IS GREATEST
FOR THE FOLLOWING EQUIPMENT.

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GRAIN MILL PRODUCTS EQUIPMENT: FLOUR BLEACHING MACHINES,
BRUSHING MACHINES, CRUSHING MACHINES, FLOUR MILL DISINTEGRATORS,
GRADERS, HUSKING/HULLING MACHINES, CEREAL ROLLING MACHINES,
HOPPERS, SIFTING MACHINES, WASHING MACHINES, FLOUR OR BRAN
BLENDING EQUIPMENT, CLEANING MACHINES, GRAIN DAMPENING MACHINES,
FLAKE-MAKING MACHINES, MAGNETIC SEPARATORS.

FRUIT AND VEGETABLE PROCESSING EQUIPMENT: ROTARY BLANCHERS, APPLE PROCESSING SYSTEMS, CORERS, DEHYDRATING EQUIPMENT, JUICE EXTRACTORS, ABRASIVE PEELERS, S-PRESSES, SEPARATORS, BEAN GRADERS, BEAN SNIPPERS, VEGETABLE GRADERS, CONTINUOUS BLANCHER/COOKER/COOLER/STERILIZER SYSTEMS, COOLING/FREEZING EQUIPMENT, FRUIT DRYING EQUIPMENT, PARING MACHINES, PICKLING EQUIPMENT, PIT-REMOVING MACHINES, SHREDDING/GRINDING/CHOPPING MACHINES, PRESSURE DESTONERS, VACUUM DESTONERS, WASHING MACHINES, STRIP CUTTERS AND SLICERS.

FORMING, FILLING, SEALING EQUIPMENT: VACUUM THERMOFORMERS, EXTRUSION BLOW MOLDERS, 2 PIECE CAN MAKING MACHINERY, 3-PIECE CAN MAKING MACHINERY? PRESSURE THERMOFORMERS, INJECTION BLOW MOLDERS, FILERS FOR LIQUIDS, FILLERS FOR DRY PRODUCTS, FILLERS FOR VISCOUS PRODUCTS, FILLERS FOR SOLIDS, HEAT SEALERS, CAPPERS, CRIMPERS, HOODERS, GLUDING EQUIPMENT, CUTTING, SLITTING, TRIMMING EQUIPMENT, CAN CLOSERS, SEALERS, CORKING EQUIPMENT, TYING, SEWING, STAPLING EQUIPMENT, VACUUM FORM/FILL/SEAL SYSTEMS, GAS FORM/FILL/SEAL SYSTEMS, AEROSOL FORM/FILL/SEAL SYSTEMS.

WRAPPING, PACKING EQUIPMENT: DIRECT, OUTER, AND OVERRAP WRAPPERS, BUNDLERS, SHRINK WRAPPERS AND TUNNELS, CARTONERS, MULTIPACKERS.

ARKKING, INSPECTING EQUIPMENT: LABELERS, CODING EQUIPMENT, CHECKWEIGHERS, METAL DETECTION EQUIPMENT, LEVEL CHECKING EQUIPMENT, CODE/LABEL INSPECTING EQUIPMENT, CAN WRAPPERS, IMPRINTING/PRINTING EQUIPMENT, WEIGHERS, SEAM TESTERS.

CONTAINER/PRODUCT/PACKAGE PREPARATION AND HANDLING EQUIPMENT: BOX SETTING-UP EQUIPMENT, CONTAINER VIBRATORS, UNSCRABLERS, PALLETIZERS, BOTTLE SPOTTERS, ALIGNERS, CONTAINER CLEANING/WASHING/ DRYING SYSTEMS, ACCUMULATORS/COLLATORS, FEEDING/ORIENTING EQUIPMENT, UNLOADERS, STACKERS.
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Message Attributes

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Decaption Date: 01 JAN 1960
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Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
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